

Senate Bill No. 836

CHAPTER 600

An act to add Section 911 to the Public Utilities Code, relating to energy.

[Approved by Governor October 8, 2011. Filed with
Secretary of State October 8, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 836, Padilla. Renewable energy resources: cost reporting.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined. The California Renewables Portfolio Standard Program (RPS program) requires the commission to implement annual procurement targets for the procurement of eligible renewable energy resources, as defined, for all retail sellers, as defined, to achieve the targets and goals of the program.

This bill would, by no later than February 1, 2012, and annually thereafter, require the commission to release to the Legislature the costs of all electricity procurement contracts for eligible renewable energy resources, as specified, and all costs for utility-owned generation approved by the commission, as specified.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) In 2002, the Legislature mandated that electrical corporations procure 20 percent of total retail sales of electricity in California from eligible renewable energy resources by December 31, 2017.

(b) In 2006, the Legislature accelerated and broadened this goal to require that all retail sellers procure 20 percent of total retail sales of electricity in California from eligible renewable energy resources by December 31, 2010.

(c) In 2011, the Legislature extended the California Renewables Portfolio Standard Program target set for 2010 to a 33 percent standard by December 31, 2020.

(d) To meet the procurement targets of the California Renewables Portfolio Standard Program, electrical corporations have entered into hundreds of contracts with independent producers of eligible renewable energy resources and also built utility-owned generation.

(e) The costs of electricity procurement contracts and utility-owned generation have been submitted to the Public Utilities Commission for review and approval.

(f) Those costs are directly passed through to the ratepayers of electrical corporations, but are unknown to the public and the Legislature.

(g) In order to ensure that the public and the Legislature are aware of the costs of eligible renewable energy resources, this measure requires the commission to release those costs, in the aggregate, to the Legislature on a regular basis.

SEC. 2. Section 911 is added to the Public Utilities Code, to read:

911. (a) Notwithstanding subdivision (g) of Section 454.5 and Section 583, no later than February 1, 2012, and annually thereafter, the commission shall release to the Legislature the costs of all electricity procurement contracts for eligible renewable energy resources, including unbundled renewable energy credits, and all costs for utility-owned generation approved by the commission. The first report shall include all costs commencing January 1, 2003. Subsequent reports shall include only costs for the preceding calendar year.

(1) For power purchase contracts, the commission shall release costs in an aggregated form categorized according to the year the procurement transaction was approved by the commission, the eligible renewable energy resource type, including bundled renewable energy credits, the average executed contract price, and average actual recorded costs for each kilowatthour of production. Within each renewable energy resource type, the commission shall provide aggregated costs for different project size thresholds.

(2) For each utility-owned renewable generation project, the commission shall release the costs forecast by the electrical corporation at the time of initial approval and the actual recorded costs for each kilowatthour of production during the preceding calendar year.

(b) This section does not require the release of the terms of any individual electricity procurement contracts for eligible renewable energy resources, including unbundled renewable energy credits, approved by the commission. The commission shall aggregate data to the extent required to ensure protection of the confidentiality of individual contract costs even if this aggregation requires grouping contracts of different energy resource type. The commission shall not be required to release the data in any year when there are fewer than three contracts approved.

(c) The commission may combine the information required by this section with the report prepared pursuant to Section 910, as added by Chapter 1 of the First Extraordinary Session of the Statutes of 2011.